



First Half of FY3/26 Financial Results

KI-STAR REAL ESTATE CO., LTD.



Tokyo Stock Exchange,
Prime Market/ 3465

Our Purpose and Vision

Our Purpose

We are a “YU TA KA” creation company that delivers “enriching, enjoyable and pleasant” lifestyles in the world.

Our Vision

House ownership for everyone

1H FY3/26 Financial Summary

- Double-digit sales growth in the first and second quarters. Sales increased to a new quarterly record high.
- The business climate for built-for-sale houses is favorable due to improvement in the balance between supply and demand in major metropolitan areas.
- Operating profit and ordinary profit exceeded 10 billion JPY as earnings remain on track to achieve the fiscal year forecast.
- Progress with new businesses continues for optimization of the business portfolio

		<u>1H FY3/26 Results</u>	<u>YoY change</u>
1H FY3/26 Results	Net sales	¥181.1 billion	20.0%
	Operating profit	¥11.2 billion	60.8%
	Ordinary profit	¥10.3 billion	71.6%
	Profit attributable to owners of parent	¥6.3 billion	73.9%

1H FY3/26 Financial Results

Consolidated Statement of Income (1H)

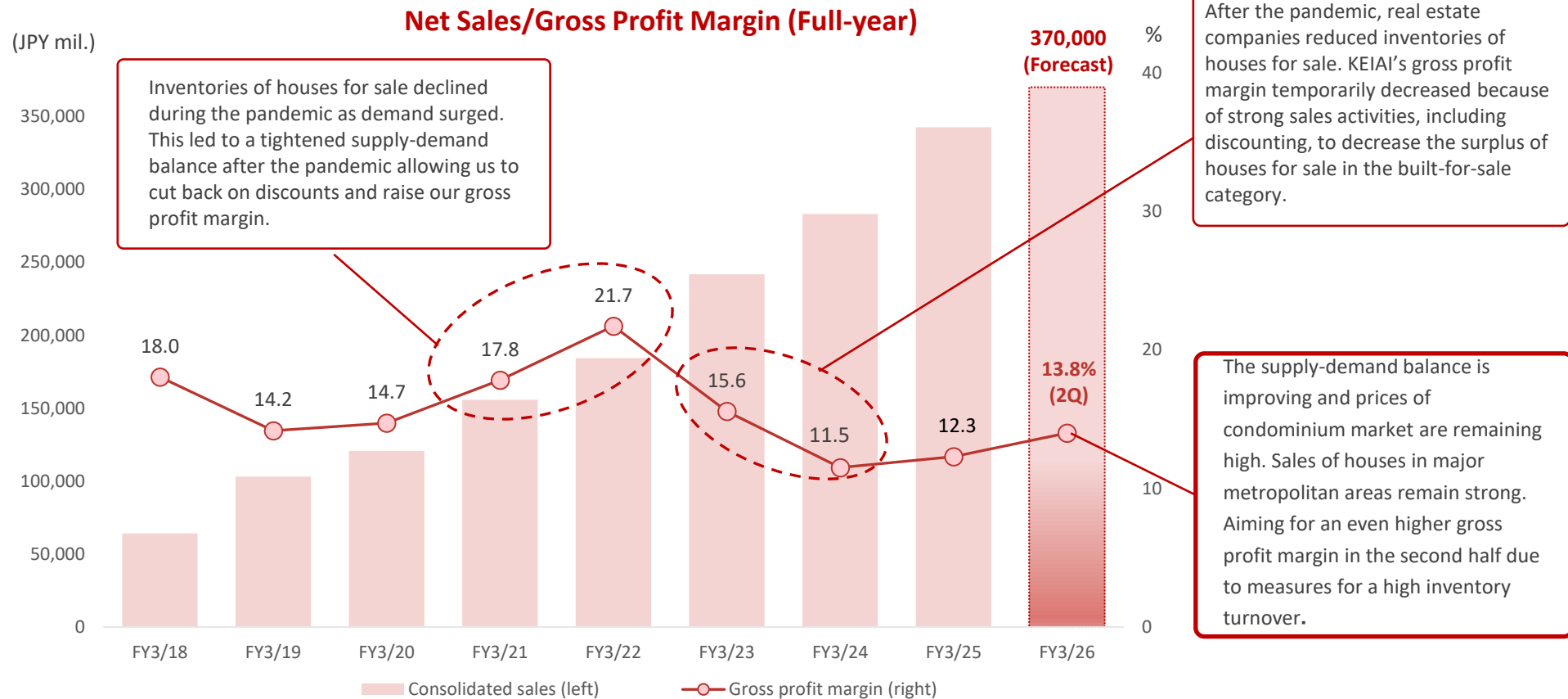
Sales are growing steadily with the support of the change in main sales areas and a favorable business climate. As a result, gross profit margin is increasing consistently too. Net sales were 181.19 billion JPY (up 20.0% YoY), ordinary profit increased 71.6% to 10.37 billion JPY and profit attributable to owners of parent increased 73.9% to 6.34 billion JPY.

(JPY mil.)

	1H (Apr-Sep) of FY3/25		1H (Apr-Sep) of FY3/26		YoY change
	Amount	Proportion	Amount	Proportion	
Net sales	150,935	100.0%	181,190	100.0%	20.0%
Gross profit	19,008	12.6%	24,992	13.8%	31.5%
SG&A expenses	12,016	8.0%	13,746	7.6%	14.4%
Operating profit	6,992	4.6%	11,246	6.2%	60.8%
Ordinary profit	6,047	4.0%	10,379	5.7%	71.6%
Profit attributable to owners of parent	3,645	2.4%	6,340	3.5%	73.9%

Consolidated Results of Operations: Sales/Gross Profit Margin

Double-digit sales growth continued in the second quarter. Sales remained firm as demand for houses is very strong in major metropolitan areas. The gross profit margin is increasing steadily. First half sales are consistent with the forecast for the fiscal year. Active expenditures for new businesses are continuing.



Segment Performance

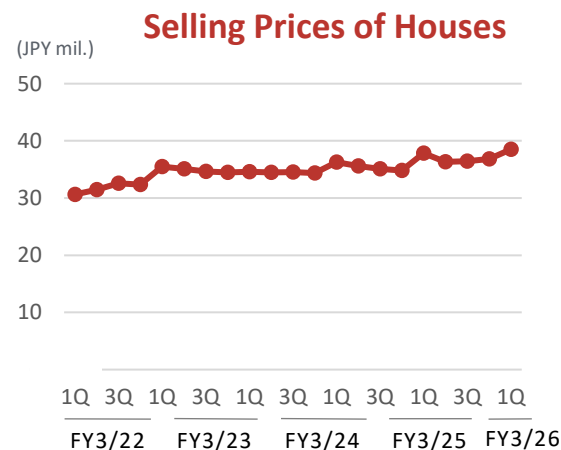
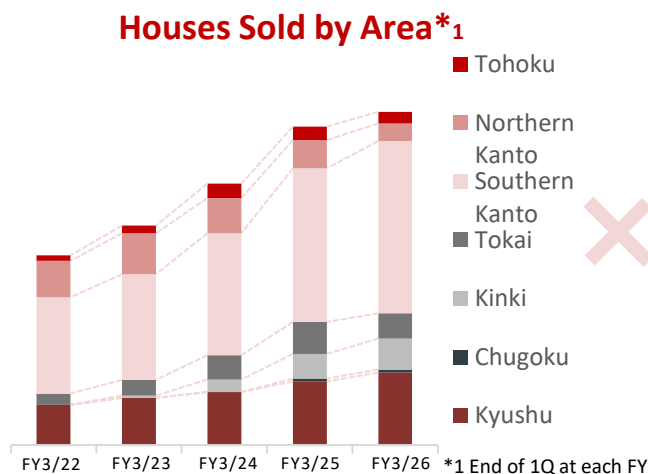
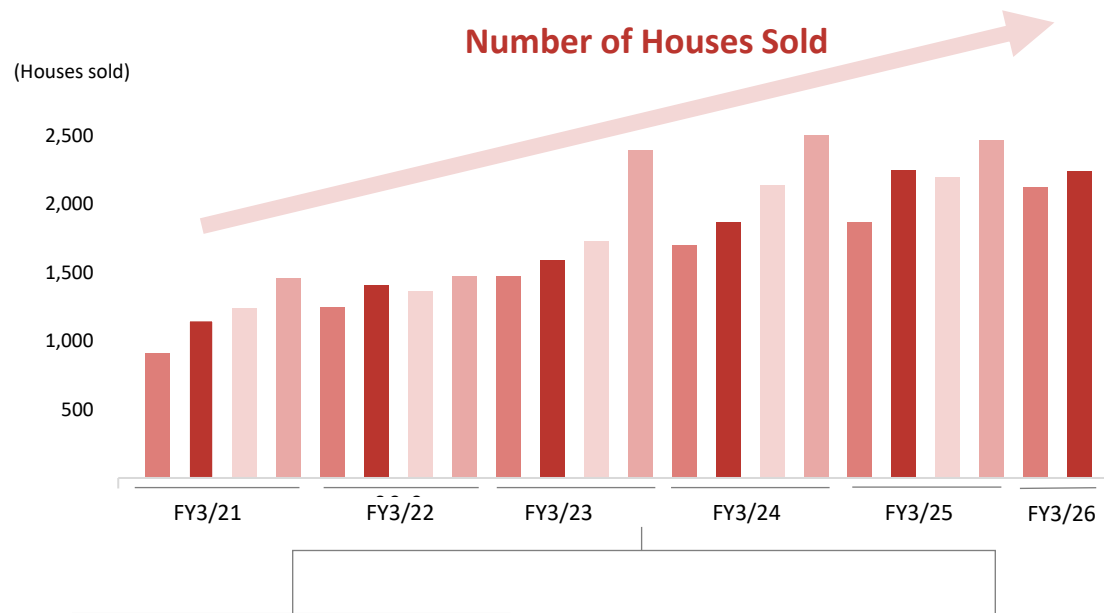
In the homebuilding and sales business, monetary sales and the number of houses sold have been increasing steadily. Maintaining a high level of sales activities due to the strong demand for houses in major metropolitan areas. In the custom-built housing business, aiming for sales growth by continuing to focus sales activities on semi custom-built houses and one-story houses. Continuing to make active investments in new businesses aiming to grow the sales quickly.

(Unit of sales and profit: JPY mil.)

		1H FY3/25	1H FY3/26	YoY change
Homebuilding and sales (including land)	Houses sold	3,943	4,354	10.4%
	Sales	143,120	169,852	18.7%
	Operating profit	8,241	12,616	53.1%
Custom-built housing	Houses sold	169	123	-27.2%
	Sales	3,249	2,854	-12.2%
	Operating profit	-47	70	-
Other businesses*	Sales	4,565	8,483	85.8%
	Operating profit	652	743	14.0%

*Other includes overseas business, income-producing real estate business, recurring revenue business, apartment business, renovation business, condominium sales business and pre-owned home renovation business.

Homebuilding and Sales Business: Houses Sold by Area



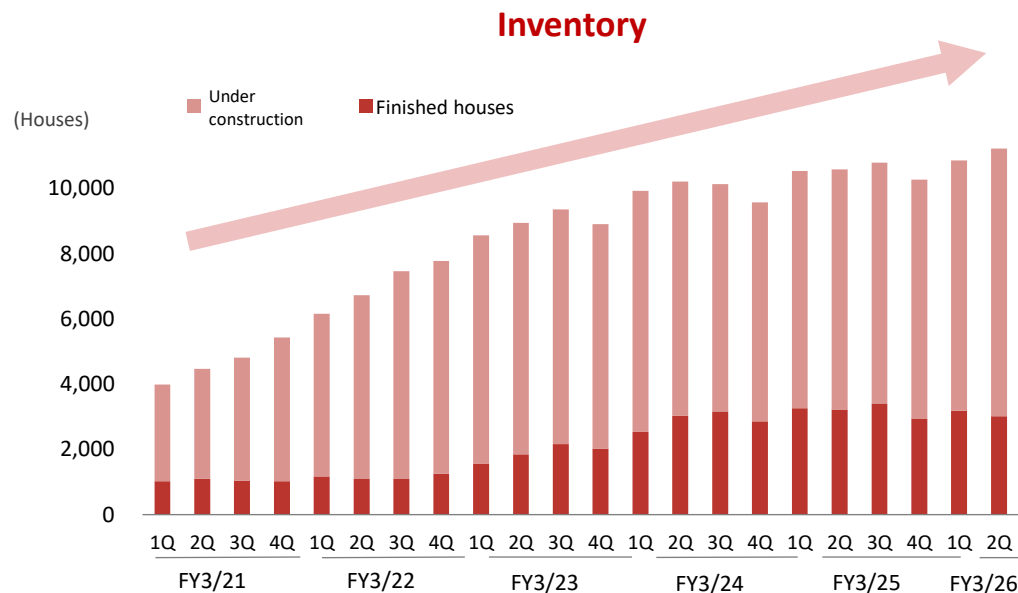
- Number of houses sold is increasing steadily as demand remains strong in major metropolitan areas nationwide.

- Selling prices of houses are increasing slowly.
- KEIAI's market share is increasing in Tokyo and three neighboring prefectures, the southern part of the Kanto area.
- Strengthen activities aimed at capturing a larger market share in the Kansai area.



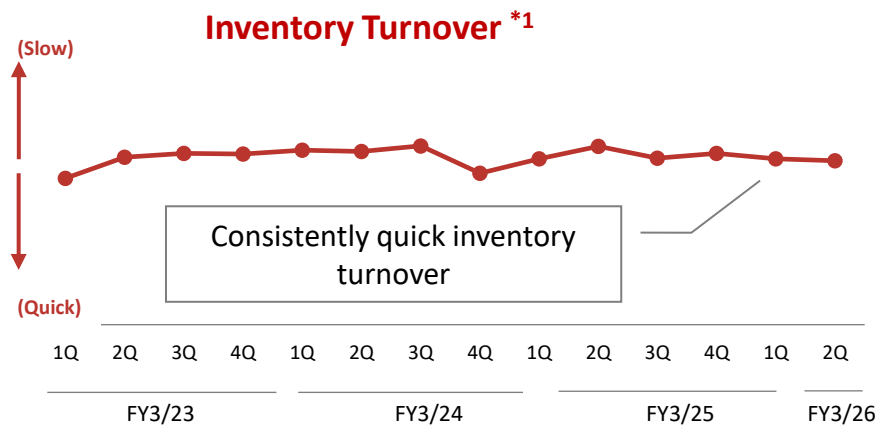
- A large volume of sales activities will continue in major metropolitan areas while closely monitoring changes in the supply-demand balance and selling prices of houses.
- In the suburbs, we are shifting to quality from quantity. Based on our data accumulated up to now, we focus on acquiring qualified land lots that ensure profitability. We aim to actively expand our operation with both pre-owned property purchase and resale business, which is a new business and homebuilding sales business in the suburbs.

Homebuilding and Sales Business: Inventory and Inventory Turnover



- Continuing to step up land lots acquisition to accomplish the medium-term plan goals.

- Still more than 10,000 inventories of finished houses for sale.
- Planning on even more land lots acquisition for sales and earnings growth, mainly in major metropolitan areas, especially the southern Kanto area.
- Aiming for higher productivity; inventory turnover is slowly declining.



- More actions for higher productivity and faster inventory turnover by utilizing the KEIAI platform for business operations with the quick turnover of inventories.

^{*1} Average turnover from purchase of land to closing of home sale (Group average excluding L Housing, Shinyamagata Homotech and TAKASUGI)

Other Businesses: Pre-owned Home Renovation Business Topics

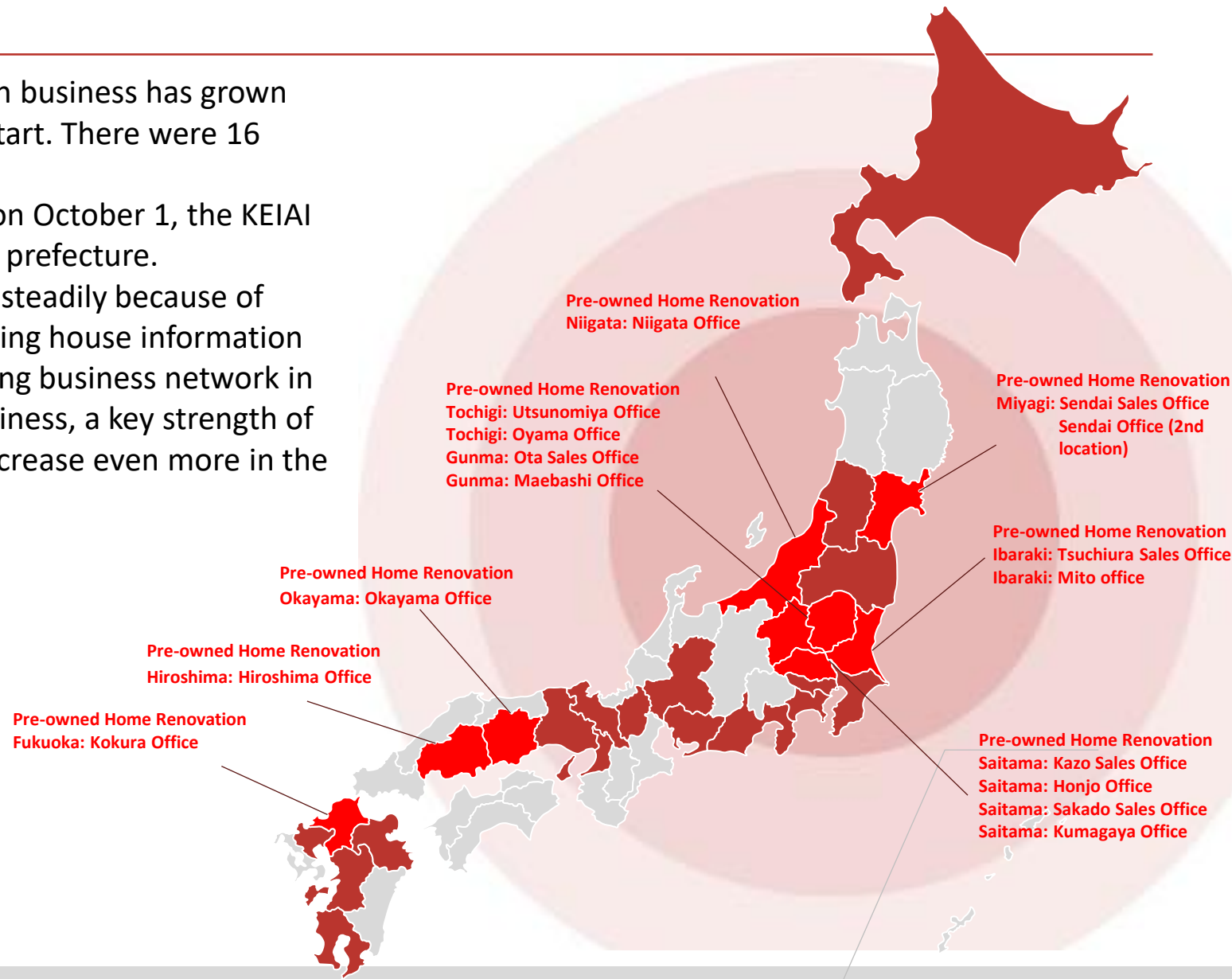
The pre-owned home renovation business has grown rapidly since the January 2025 start. There were 16 branch offices as of October 1.

A Niigata branch office opened on October 1, the KEIAI Group's first business site in this prefecture.

Inventory houses are increasing steadily because of access to a large volume of existing house information by effectively using KEIAI's existing business network in the Homebuilding and Sales Business, a key strength of the group. Sales activities will increase even more in the second half.



KEIAI Epoch Making Niigata branch office



Other Businesses: Condominium Sales Business Topics

Preliminary sales activities started on October 18 for K HOUSE Yokoyama Nakamachidai, the first property of the condominium, K HOUSE Project. Many other projects are under way, primarily in Tokyo and three neighboring prefectures.



Website: <https://ms.ki-group.jp/nakamachidai/outline/>

Other Businesses: Overseas (Australia) Topics

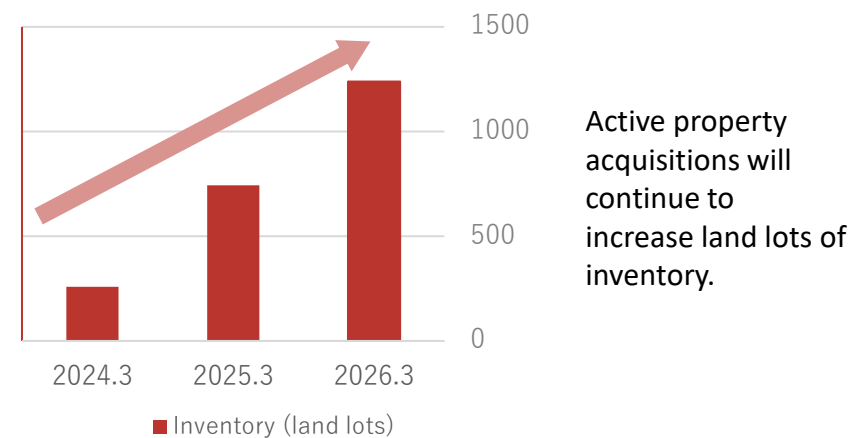
Development projects in the Melbourne area are progressing as planned. Demand for affordable housing remains strong, and sales continue to perform well, with cumulative orders exceeding 10 billion yen. As the company is accounted for under the equity method, profits are expected to be recorded in line with property handovers from the next fiscal year onward. we will continue actively acquiring properties for future business expansion, while also beginning studies on housing construction aiming to increase overseas sales.



Muncorp No. 5 Cobblebank Project



Renderings of the townhouses being planned

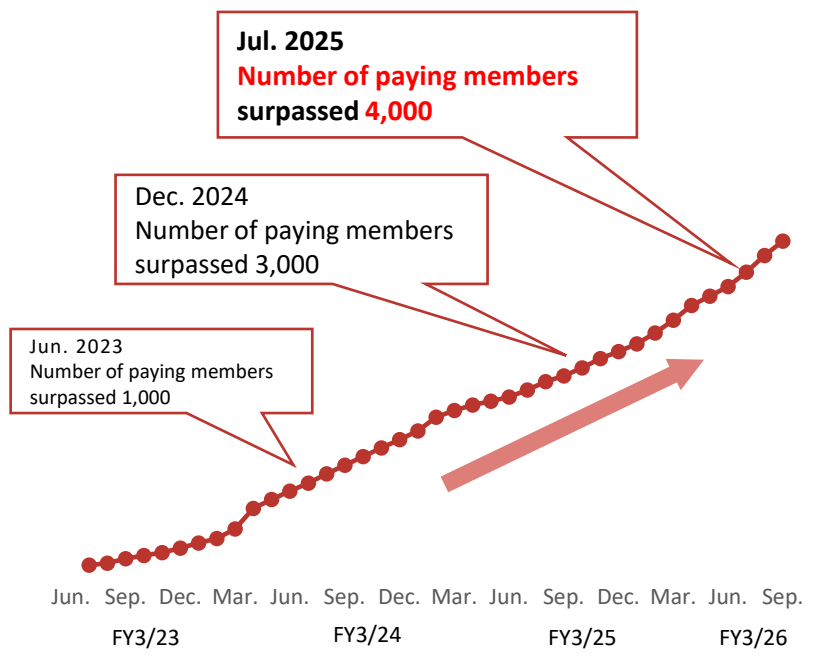


Other Businesses: Recurring Revenue Business Topics

Customers who have purchased a KEIAI Group home or contracted the KEIAI Group to build a home are eligible to become a member of KEIAI House Support. The number of feepaying members has been increasing in proportion to the increase in the number of houses supplied by the KEIAI Group.

In October 2025, KEIAI Group member YOKATOWN started a similar house support service.

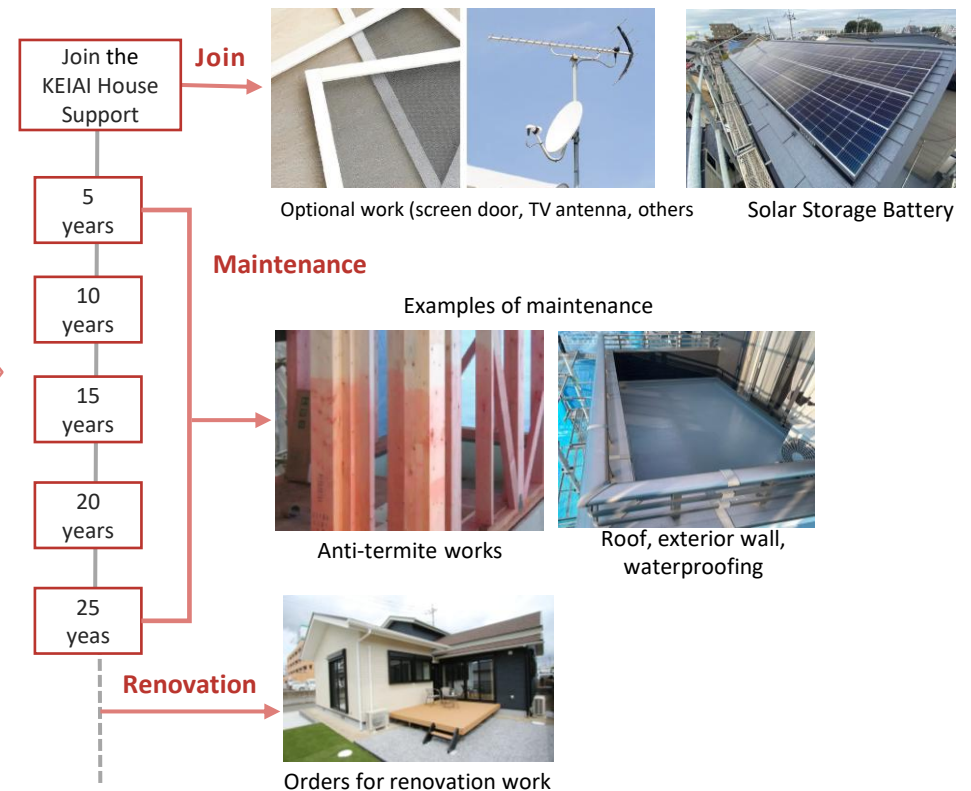
Number of the KEIAI House Support paying members



* Calculated from the KEIAI House Support service start date.

More sales and earnings from recurring revenue businesses as the number of members increases.

Timing of sales from recurring revenue businesses, primarily house support



SG&A Expenses

The SG&A to sales ratio decreased to 7.6%.

Activities to hold expenses at a suitable level will continue as expenses allocated to personnel and other categories are carefully determined.

(JPY mil.)

	1H FY3/25		1H FY3/26		YoY change
	Amount	Proportion	Amount	Proportion	
SG&A expenses	12,016	8.0%	13,746	7.6%	14.4%
Sales commission	3,469	2.3%	4,361	2.4%	25.7%
Advertising expenses	331	0.2%	294	0.2%	-11.2%
Salaries and allowances	2,687	1.8%	2,783	1.5%	3.6%
Provision for bonuses	259	0.2%	654	0.4%	152.5%
Other	5,267	3.5%	5,653	3.1%	7.3%

Consolidated Balance Sheet

Total assets were 313.73 billion JPY and net assets were 74.12 billion JPY.

(JPY mil.)

	March 31, 2025	September 30, 2025	Increase/decrease
Current assets	276,435	295,836	19,400
Non-current assets	18,117	17,901	-216
Total assets	294,552	313,737	19,184
Current liabilities	156,309	171,354	15,044
Non-current liabilities	69,440	68,260	-1,179
Total liabilities	225,750	239,615	13,864
Net assets	68,801	74,122	5,320
Total liabilities and net assets	294,552	313,737	19,184

Inventories

Inventories increased by 30.05 billion JPY from the end of March 2025.

Number of inventories of finished houses for sale is consistently above 10,000. Purchasing a large number of properties in major metropolitan areas to accomplish the medium-term plan goals.

(JPY mil.)

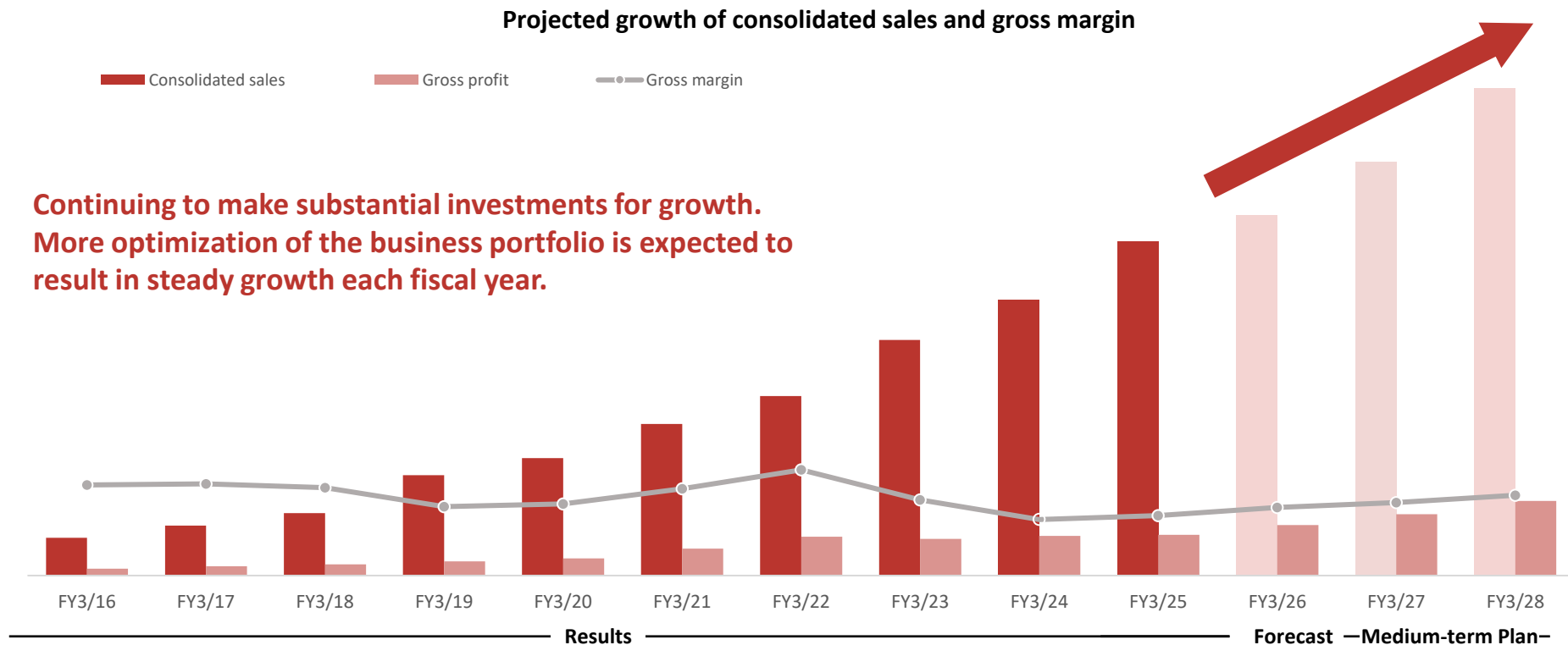
	March 31, 2025	September 30, 2025	Increase/decrease
Inventories	196,061	226,115	30,054
Real estate for sale	102,518	114,593	12,074
Real estate for sale in process	91,455	109,158	17,703
Costs on uncompleted construction contracts	2,087	2,363	276

Business Policy/Forecast

Projected Business Growth

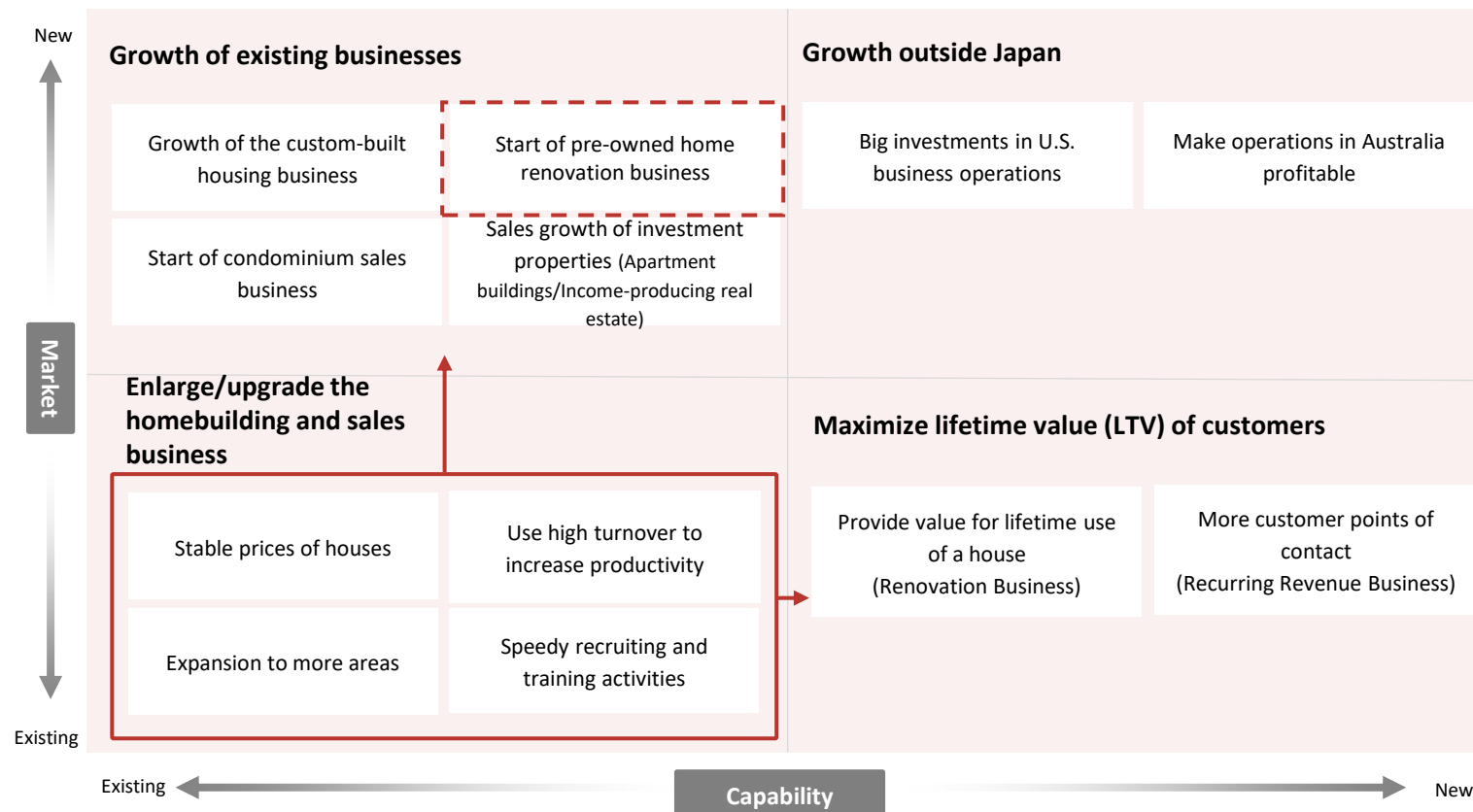
More growth of the homebuilding and sales business is expected with the support of strategic expansion of sales offices, purchasing a large volume of land and increasing homebuilding capacity.

Focusing on the custom-built housing business and pre-owned home renovation business, progress is backed by apartment buildings/income-producing real estate/condominium sales/overseas and other new businesses along with substantial investments for M&A and other actions for growth. These activities give KEIAI a sound base for accomplishing the goals of the medium-term plan.



Business Portfolio Optimization

Expand operations to new categories of the housing business by utilizing the strengths of the KEIAI Group, including synergies created by KEIAI Group management and the DX backed by the KEIAI Platform in the core homebuilding and sales business.



FY3/26 Forecast and Performance

First half performance was generally consistent with the FY3/26 forecast because more than half of FY sales are normally in the second half of each year.

Many activities are under way among the whole group to reach the sales and earnings forecasts, including the continuation of sales activities that reflect the current balance between supply and demand.

(JPY mil.)

	FY3/26 consolidated forecast	1H FY3/26 Results			Progress ratio vs. plan
		1Q Results	2Q Results		
Net sales	370,000	84,574	96,616	181,190	49.0%
Gross profit	-	11,186	13,806	24,992	-
SG&A expenses	-	6,679	7,067	13,746	-
Operating profit	23,000	4,506	6,739	11,246	48.9%
Ordinary profit	20,000	3,937	6,442	10,379	51.9%
Profit attributable to owners of parent	12,000	2,399	3,941	6,340	52.8%

Shareholder Distributions

Dividends and Shareholder Benefits

Dividend (Started to pay an interim dividend in FY3/18)

	FY3/24 results (consolidated)	FY3/25 results (consolidated)	FY3/26 forecast (consolidated)
Net income per share (yen)	427.74	570.44	775.09
Dividend per share (yen)	180.00	151.00	200.00
Interim dividend per share (yen)	118.00	65.00	100.00
Payout ratio (%)	42.1%	26.5%	25.8%

Shareholder Benefits

Number of shares held as of the record date (September 30)	Gift
100 shares to 499 shares	Quo card (1,000 yen)
500 shares and more	Quo card (3,000 yen)

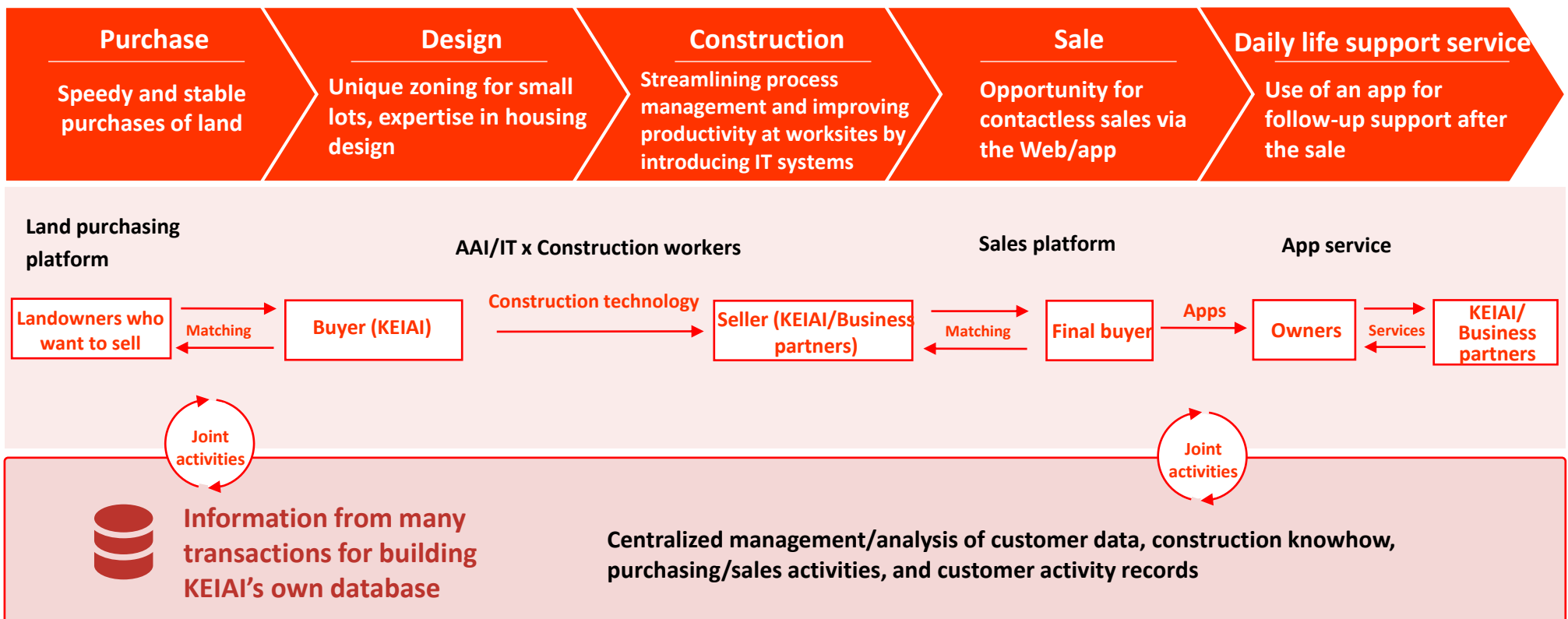
Business Model

A Fully Integrated “Real x Technology” Platform

A “Real x Technology” supply model that revolutionizes the detached housing supply chain in Japan.

KEIAI has developed an integrated technology platform extending from purchasing land, designing, constructing and selling houses, to support services.

● The “Real x Technology” KEIAI Platform



Advantages of Land Purchase through the Development of Compact Ready-built Houses

The development of KEIAI's distinctive compact ready-built houses makes it possible to accumulate a large volume of data quickly.

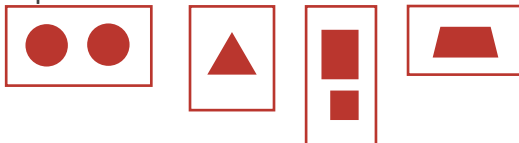
Conventional ready-built houses

Four to 10 houses for sale are constructed at once, resulting in similar houses
= Small number of house models on big development sites



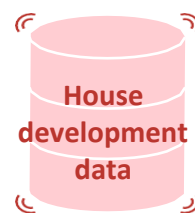
Compact ready-built houses

This business model targets sites for one or two houses, where conventional developers seeking larger sites normally do not operate, and supplies a large number of compact houses with outstanding designs.
= Large number of house models on small development sites

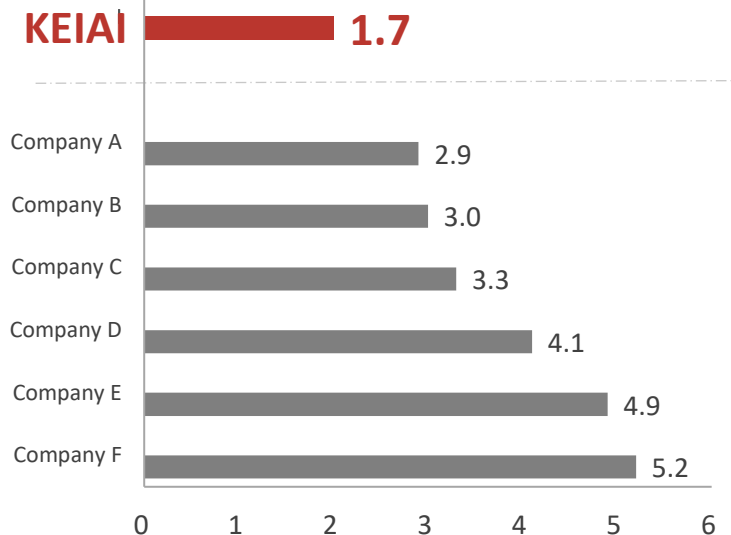


Increase in the number of land data entries

- Allows accumulating a large volume of information about experiences and other items about housing developments within a short time
- Data are stored in the KEIAI Platform for increasing the accuracy of land purchases and sales and marketing activities



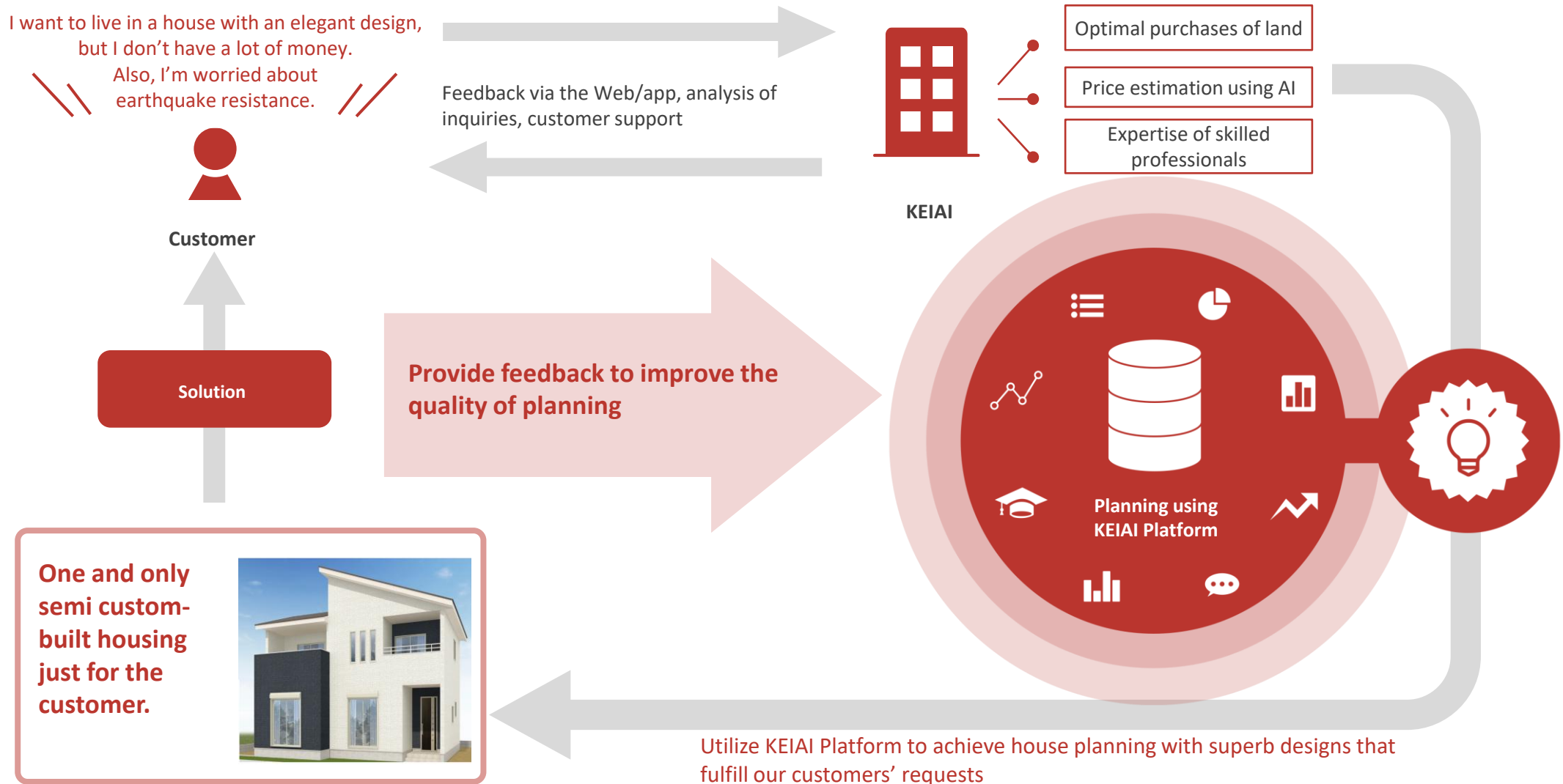
Avg. number of lots*1 in housing developments



KEIAI has much fewer lots per site than its industry competitors and is one of Japan's largest suppliers of compact ready-built houses

*1: KEIAI estimates (FY3/23 results) based on housing developments of KEIAI and other companies as of December 2020

Semi Custom-built Housing Using Compact Ready-built House Development



News Topics

KEIAI House Wins 2025 Good Design Award and 19th Kids Design Award

A KEIAI built-for-sale house was selected for a 2025 Good Design Award and a 19th Kids Design Award. The house is designed to deal with the problem of potential housing sites that have very narrow street access and a larger interior section mostly surrounded by other properties. These so-called “flagpole” sites can have a negative effect on the creation of communities. One feature of the house is a safe open space where children can play. KEIAI’s innovative design opens up new ways to use flagpole sites. KEIAI will continue to use its home design expertise, which is one of its greatest strengths, to increase sales of houses and further upgrade KEIAI’s brand image.



2025 Good Design Award

■ Category

Commercialization, industrialization houses

■ Project awarded

Built-for-sale detached house : New scenery created by a flagpole site

The 19th Kids Design Award

■ Award category:

Designs for the safety and security of children

■ Project awarded

A lifestyle with an UkiUki (cheerful) gate and WakuWaku (exciting) garden

2025 Good Design Award : <https://www.g-mark.org/gallery/winners/30851>

The 19th Kids Design Award: https://kidsdesignaward.jp/search/detail_250202

KEIAI press release: https://ki-group.co.jp/wp/wp-content/uploads/2025/10/2025.10.15_gooddesainaward_jyusyou.pdf

https://ki-group.co.jp/wp/wp-content/uploads/2025/08/2025.8.26_kidsdesignaward.pdf

ESG/SDGs Initiatives

Establishment of the Sustainability Committee

The KEIAI Group has many activities for helping solve social issues in Japan and other countries. By supplying homes where people can lead happy and fulfilling lives, we are dedicated to playing a role in creating a sustainable and affluent society. We believe these activities will contribute to the growth of our corporate value. One part of these activities is the Sustainability Committee, which is an important component of corporate governance. This committee conduct activities concerning social issues in Japan and other countries, protect the environment, ensure respect for human rights, and the maintenance and enhancement of rigorous compliance programs.



Sustainability Materiality

01 | Supply of design houses with outstanding quality at low prices

Society



03 | Fostering diversity, equity and inclusion initiatives

Society



05 | Environmental programs

Environment



02 | Striving forward with KEIAI's sustainable supply chain and partnerships involving multiple stakeholders.

Society



04 | Skill development for craftspeople and technicians

Society



06 | Strengthen governance

Governance



Sustainable Finance Activities for Help Achieve a Sustainable Society

As one step for helping achieve a sustainable society, KEIAI has received Sustainability Link Loans and Positive Impact Finance loans since September 2023.

KEIAI will continue to reinforce its commitment to ESG and the SDGs in order to play a role in solving environmental and social issues.



- [September 2023] Information about Ashikaga Bank Positive Impact Finance:
https://ki-group.co.jp/wp/wp-content/uploads/2023/10/2023.10.02_ashikagaginkou.pdf
- [September 2023] Information about Saitama Resona Bank Sustainability Link Loan:
https://ki-group.co.jp/wp/wp-content/uploads/2023/10/2023.10.02_saitamarisona.pdf
- [February 2024] Information about SHIGA BANK Sustainability Link Loan:
https://ki-group.co.jp/wp/wp-content/uploads/2024/02/2024.2.29_sigabank_SSL.pdf
- [June 2024] Information about Ashikaga BANK Sustainability Link Loan:
https://ki-group.co.jp/wp/wp-content/uploads/2024/06/2024.06.27_asikagabank_SLL.pdf



- [September 2023] Information about Chiba Bank Sustainability Link Loan:
https://ki-group.co.jp/wp/wp-content/uploads/2023/10/2023.10.02_chibaginkou.pdf
- [November 2023] Information about Kagawa Bank Sustainability Link Loan:
https://ki-group.co.jp/wp/wp-content/uploads/2023/11/2023.11.30_kagawabank_SSL.pdf
- [March 2024] Information about Aozora Bank Positive Impact Finance:
https://ki-group.co.jp/wp/wp-content/uploads/2024/03/2024.3.25_aozorabank_PIF.pdf
- [September 2024] Information about Saitama Resona Bank Sustainability Link Loan:
https://ki-group.co.jp/wp/wp-content/uploads/2024/09/2024.09.27_saitamarisonabank_SLL.pdf
- [March 2025] Information about Gunma Bank Positive Impact Finance:
https://ki-group.co.jp/wp/wp-content/uploads/2025/03/2025.03.31_1530_gunnmabank_PIF.pdf

Building Energy Efficient Houses to Help Achieve a Sustainable Society

KEIAI changed to building entirely ZEH (Net Zero Energy House) in the homebuilding and sales business on all property purchased on or after January 1, 2024. Furthermore, all standard plans for the single-story IKI semi custom-built houses at KEIAI Group member Hanamaru House Co., Ltd.* were upgraded to ZEH on April 1, 2024. By supplying energy efficient houses to even more customers, we want to be a source of more eco-friendly options in the housing market.



*IKI Co., Ltd. and Hanamaru house Co., Ltd. were combined on September 1, 2024.

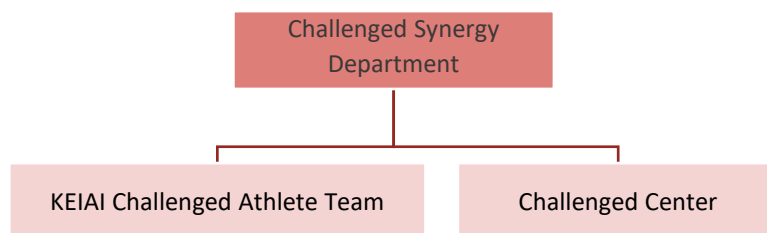
- Change to all-ZEH in the homebuilding and sales business: https://ki-group.co.jp/wp/wp-content/uploads/2024/04/2024.04.25_bunjyo_zehsuijyun.pdf
- Upgrade to ZEH of all plans for the single-story IKI semi custom-built houses: https://ki-group.co.jp/wp/wp-content/uploads/2024/04/2024.4.3_IKI_ZEH.pdf

Activities for Diversity; Employees with Disabilities 3.17% of Workforce

KEIAI maintains a diverse workforce based on a firm commitment to providing workplaces where people can perform fulfilling and enjoyable jobs irrespective of human rights, nationality, disabilities, age, gender and other characteristics. There are 49 employees with disabilities as of September 30, 2025. Based on the disability employment report^{*1}, people with disabilities account for 3.17%^{*2} of the KEIAI workforce as of October 1, 2025. This is well above the legal requirement of 2.5% for private-sector companies.

■ Activities

- **2015: Started hiring athletes with disabilities**
- **2019: Started the KEIAI Challenged Athlete Team** – currently has eight members
- **2023: Established the Challenged Center**
- **2024: Established the Challenged Synergy Department** – This department includes two teams responsible for the employment of people with disabilities



The KEIAI Athlete Team (left) and KEIAI Challenged Center (right)

^{*1} Ministry of Health, Labour and Welfare Employment Report for People with Intellectual Disabilities https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/koyou_roudou/koyou/shougaisha-koyou_00002.html

^{*2} As of October 1, 2025

• KEIAI press release: https://ki-group.co.jp/wp/wp-content/uploads/2025/10/2025.10.10_houteikoyouritu3.17.pdf

Activities of the KEIAI Challenged Athlete Team

Six KEIAI Challenged Athlete Team Members Selected as the Tokyo 2025 Deaflympics Representatives

➤ Selected as representative athletes for the Tokyo 2025 Deaflympics to be held in Tokyo from Saturday, November 15 to Wednesday, November 26, 2025

*From left

➤ **Event: Women's deaf soccer (5 members)**

Kana Shoji, Ai Iwabuchi, Yoshiki Yamamoto, who is the team manager, Nana Kawabata, Airi Sakai

Event: Deaf judo; Class: Men 66kg Masaki Sato



Activities of the KEIAI Challenged Athlete Team

KEIAI Parasports Instructors at Event to Commemorate Mishima's Sports Happiness City Declaration

- The city of Mishima held this event at a municipal gymnasium.
- Participants engaged in parasports with KEIAI challenged athletes.
- The event gave people a better understanding of people with physical disabilities, deaf and hard of hearing people.
Another benefit was increasing interest in the Tokyo 2025 Deaflympics.
- Instructors: Nana Kawabata, Kana Shoji, Yoshiki Yamamoto



The Mishima parasports experience event

Deaf Sports Experience Event at Tokyo Elementary Schools

- Events were held at two Tokyo elementary schools to allow children to experience deaf sports.
- Children learned about the history and other aspects of deaf sports, including the Tokyo 2025 Deaflympics, and played deaf sports. These activities gave children a better understanding of people who are deaf or hard of hearing and their interest in people with disabilities of all types.
- KEIAI will continue to hold these events to raise awareness of deaf and other parasports, give people a better understanding of individuals with disabilities, and support sporting events that are closely tied to communities.



Students listen to the lecture

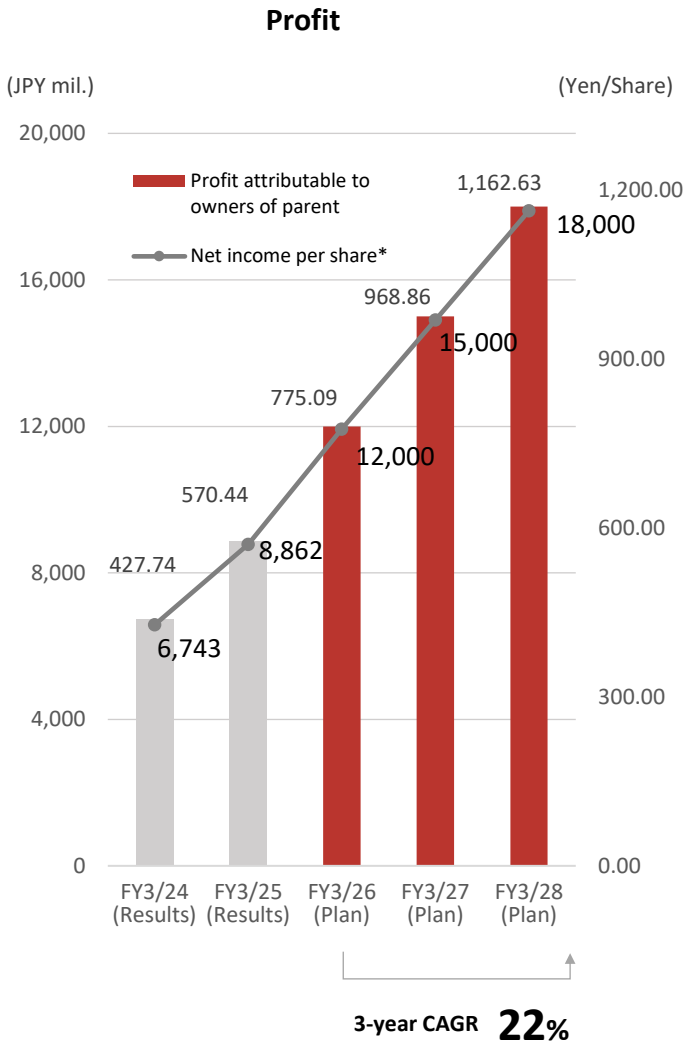
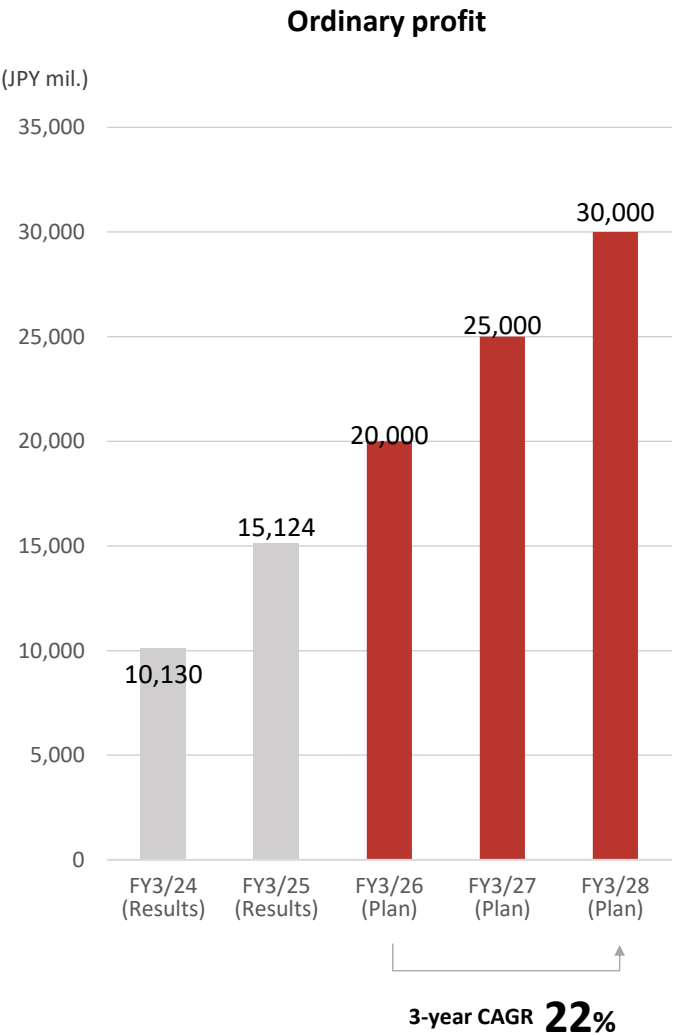
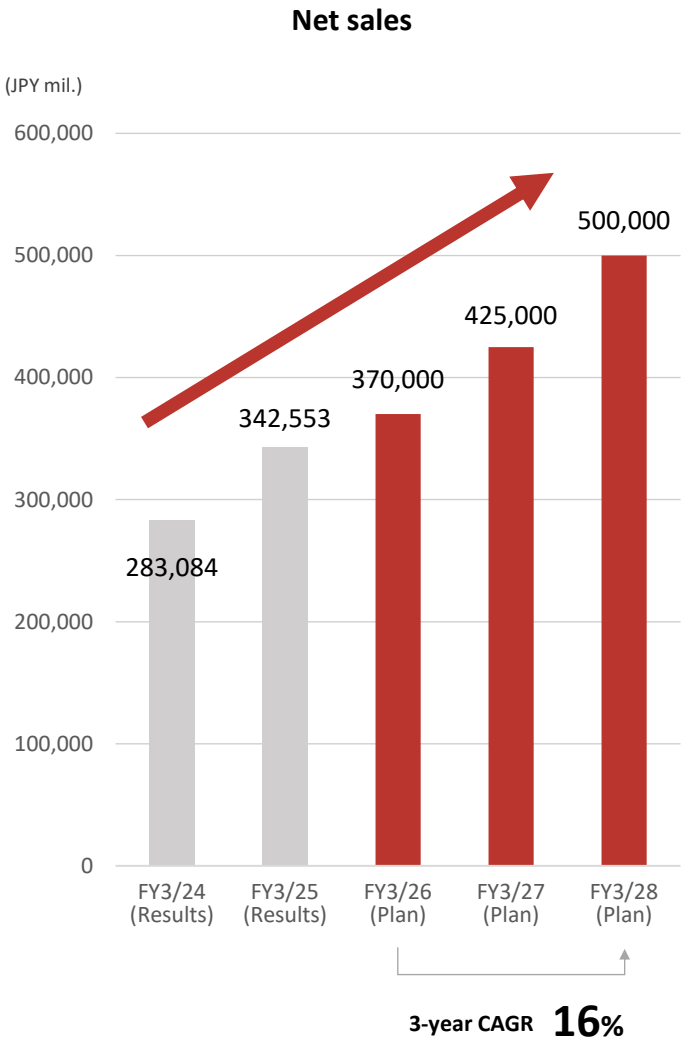
(Reference) Medium-term Plan 2028

Medium-term Plan 2028

(JPY mil./% in parentheses represent YoY changes)

	FY3/24	FY3/25	FY3/26	FY3/27	FY3/28
	Results	Results	Plan	Plan	Plan
Net sales	283,084	342,553 (121%)	370,000 (108%)	425,000 (115%)	500,000 (118%)
Ordinary profit	10,130	15,124 (149%)	20,000 (132%)	25,000 (125%)	30,000 (120%)
Profit attributable to owners of parent	6,743	8,862 (131%)	12,000 (135%)	15,000 (125%)	18,000 (120%)
Net income per share (Yen)	427.74	570.44 (133%)	775.09 (135%)	968.86 (125%)	1,162.63 (120%)

Medium-term Plan 2028



*Total number of issued shares: 15,863,000 shares (As of March 31, 2025)

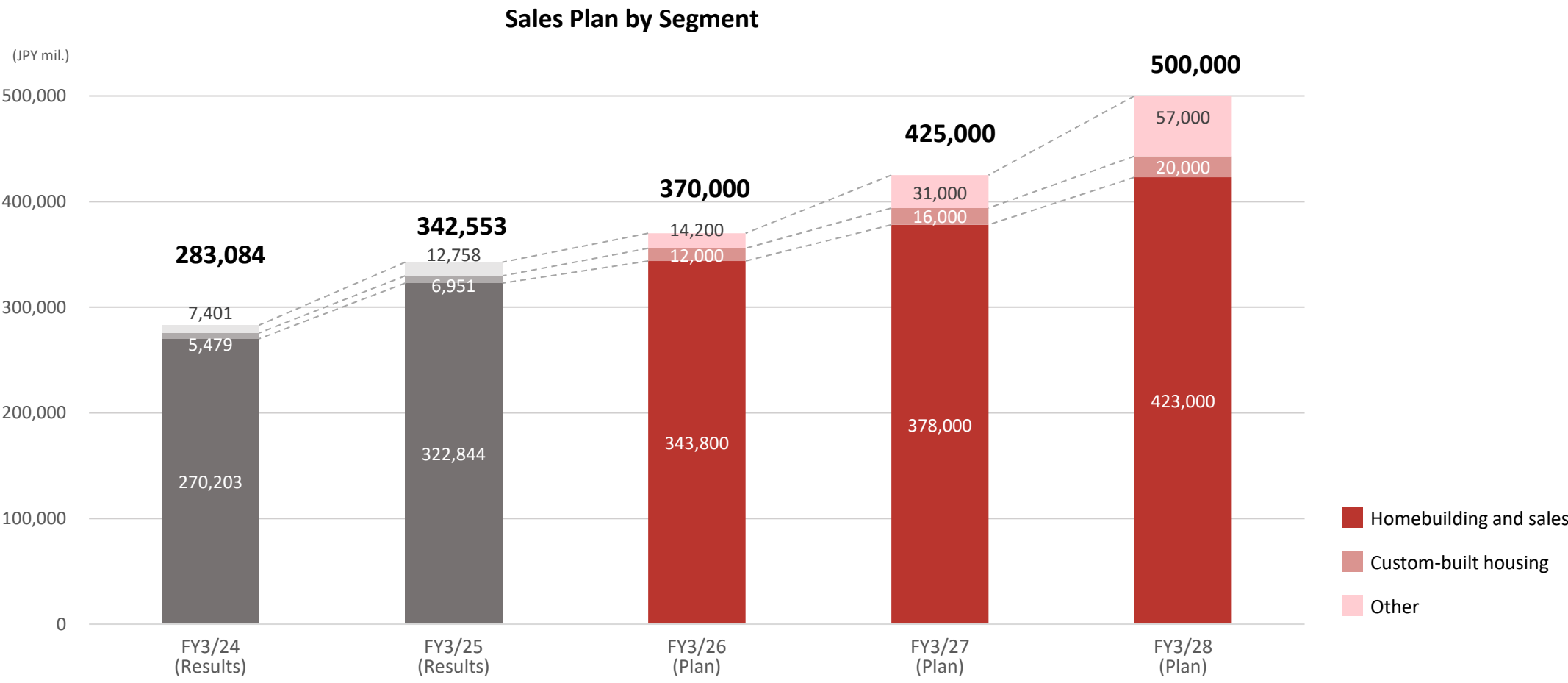
Sales Plan by Segment

(JPY mil./Figures in parentheses represent YoY changes)

	FY3/24	FY3/25	FY3/26	FY3/27	FY3/28
	Results	Results	Plan	Plan	Plan
Homebuilding and sales	270,203	322,844 (119%)	343,800 (106%)	378,000 (110%)	423,000 (112%)
Custom-built housing	5,479	6,951 (127%)	12,000 (173%)	16,000 (133%)	20,000 (125%)
Other *	7,401	12,758 (172%)	14,200 (111%)	31,000 (218%)	57,000 (184%)
Total sales	283,084	342,553 (121%)	370,000 (108%)	425,000 (114%)	500,000 (118%)

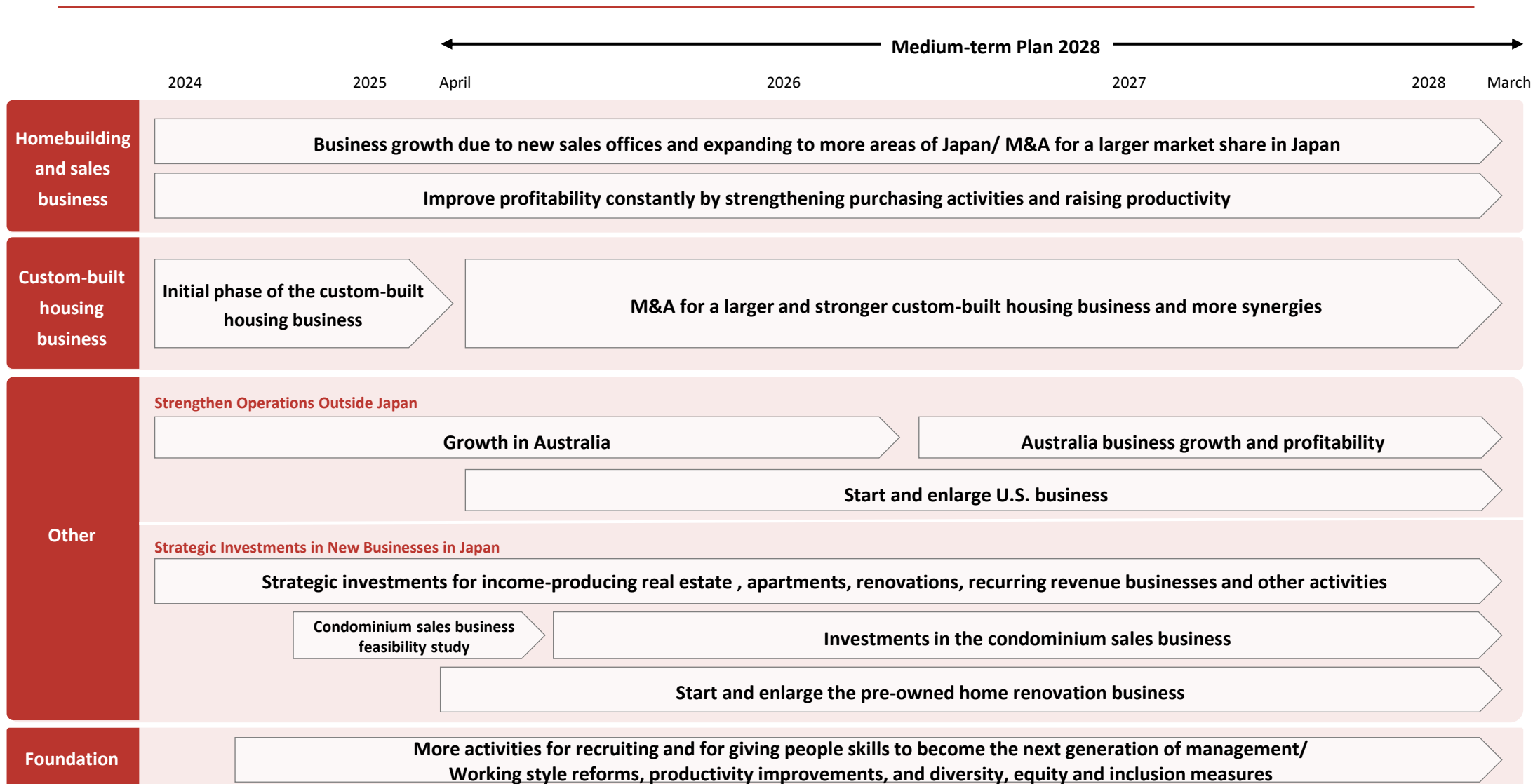
*Other includes overseas business, income-producing real estate business, recurring revenue business, apartment business, renovation business, condominium sales business and pre-owned home renovation business.

Sales Plan by Segment



*Other includes overseas business, income-producing real estate business, recurring revenue business, apartment business, renovation business, condominium sales business and pre-owned home renovation business.

Roadmap for Accomplishing the Medium-term Plan Goals



Human Resources Strategy

HR Strategy 1

More recruiting activities (new graduates and people with prior experience) and hiring and training of people who can become key members of management

- Give people skills to become the next senior executives and increase recruiting
- Step up skill development programs structured for specific job categories
- More hiring of people with prior experience who can be immediately productive
- Use performance-based evaluations for promotions to key positions
- Place the right people in the right jobs (including internal application system to fill open positions)
- Activities for the advancement of women

HR Strategy 2

Working style reforms, productivity improvements, and diversity, equity and inclusion measures

- Eliminate wasted time by closely managing working hours
- Use the digital transformation in a broad range of frontline operations
- Time off/reduced working hours for child care and caring for an elderly parent
- Recruit and train people from countries other than Japan (for diversity)
- Recruit and train people with disabilities (use many people throughout KEIAI's operations)
- Recruit older people (use many older people in frontline operations)
- Maintain a corporate culture with emphasis on fairness for everyone

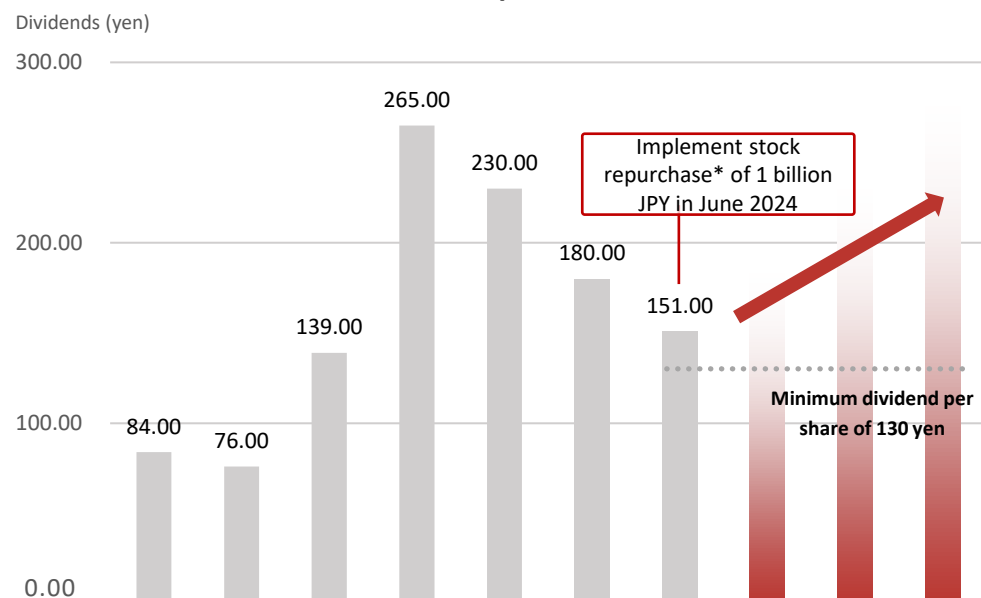
Appendix

Policy for Capital

Shareholder Distributions

Going forward, in principle, we will pay a minimum* dividend of 130 yen per share in conjunction with stock repurchases for shareholder distributions, depending on business performance and financial conditions.

Dividend per Share



	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26 (forecast)	FY3/27 (plan)	FY3/28 (plan)
Payout ratio (incl. stock repurchases)	34.4%	30.1%	25.9%	27.1%	30.6%	42.1%	27.1%	27.1%	27.1%	27.1%

Going forward, we will pay a minimum dividend of 130 yen per share in conjunction with stock repurchases for shareholder distributions, depending on business performance and financial conditions.

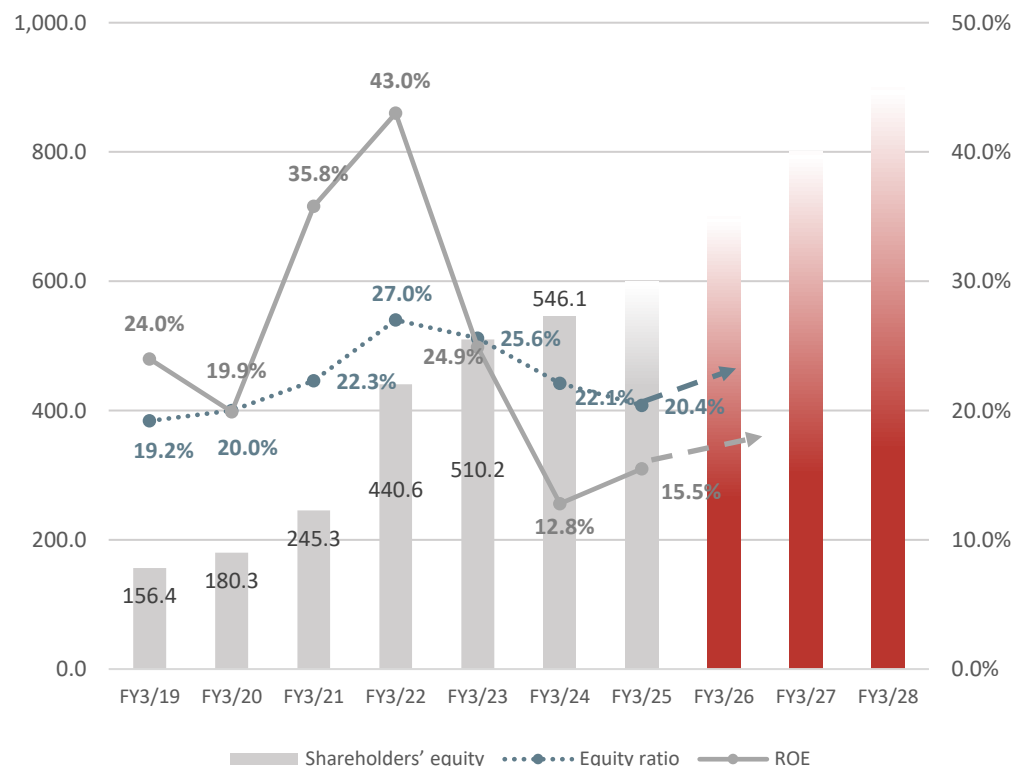
* Some figures for the previous fiscal year have been revised due to the retroactive application of the change in accounting policy.

* A part of the treasury share acquired will be used for the performance-linked stock compensation plan for directors and Audit & Supervisory Board members.

Capital Efficiency / Financial Soundness

- High capital efficiency ROE of at least 15% ▶ Maintain a high inventory turnover and use financial leverage
- Equity ratio of at least 20% ▶ Raise the equity ratio to 25%-30% by properly structuring the business portfolio and retaining a suitable amount of earnings

(JPY 100 mil.)



Japan's Market for Houses Built for Sale and KEIAI's Market Share

The goal is a steady increase in market share by expanding to more areas of Japan in the core homebuilding and sales business, while fully utilizing strengths involving technologies and compact ready-built houses.



Medium-term goal

Increase our share of Japan's built-for-sale house market

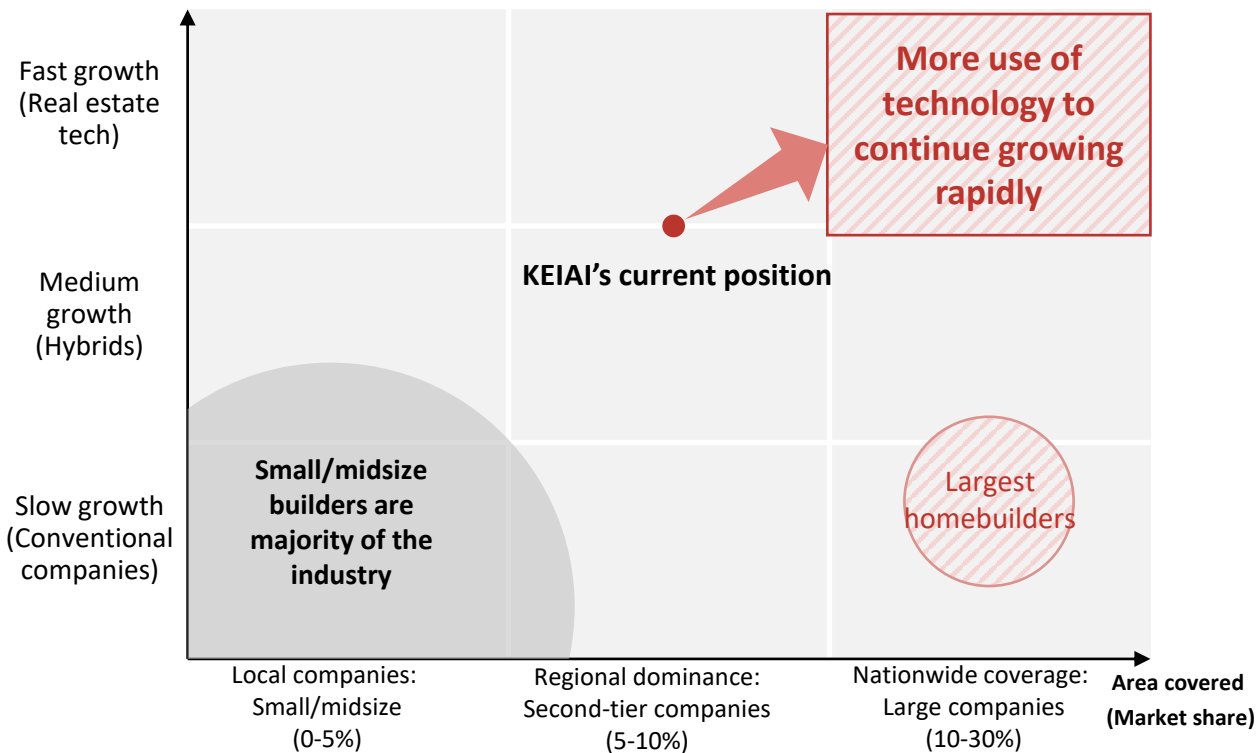
*1: KEIAI estimates based on the number of new built-for sale wooden detached houses that have been constructed according to the Ministry of Land, Infrastructure, Transport and Tourism's "Housing Construction Statistics" through March 2025.

The Built-for Sale House Industry and KEIAI's Position

Japan has a large number of small companies that build houses for homebuyers. However, very few of these companies are skilled at using advanced technologies. KEIAI has the goal of continuing to increase its market share while growing rapidly by increasing its use of various technologies.

Market share and Growth Potential in the Built-for-Sale Housing Market Industry

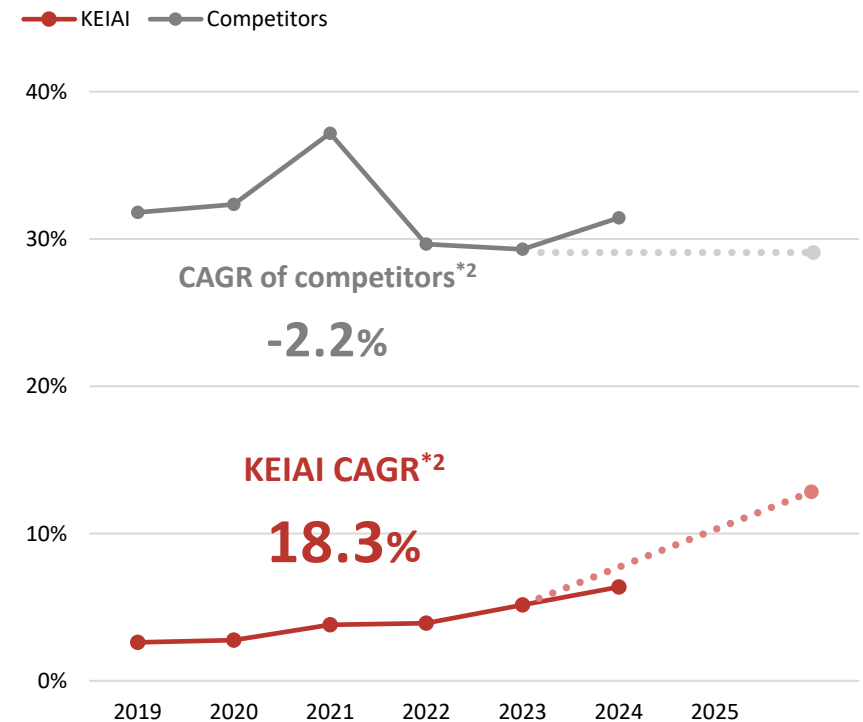
Technology use (Growth)



*1. Comparison of sales growth of largest companies and KEIAI

*2. CAGR : Compound Annual Growth Rate

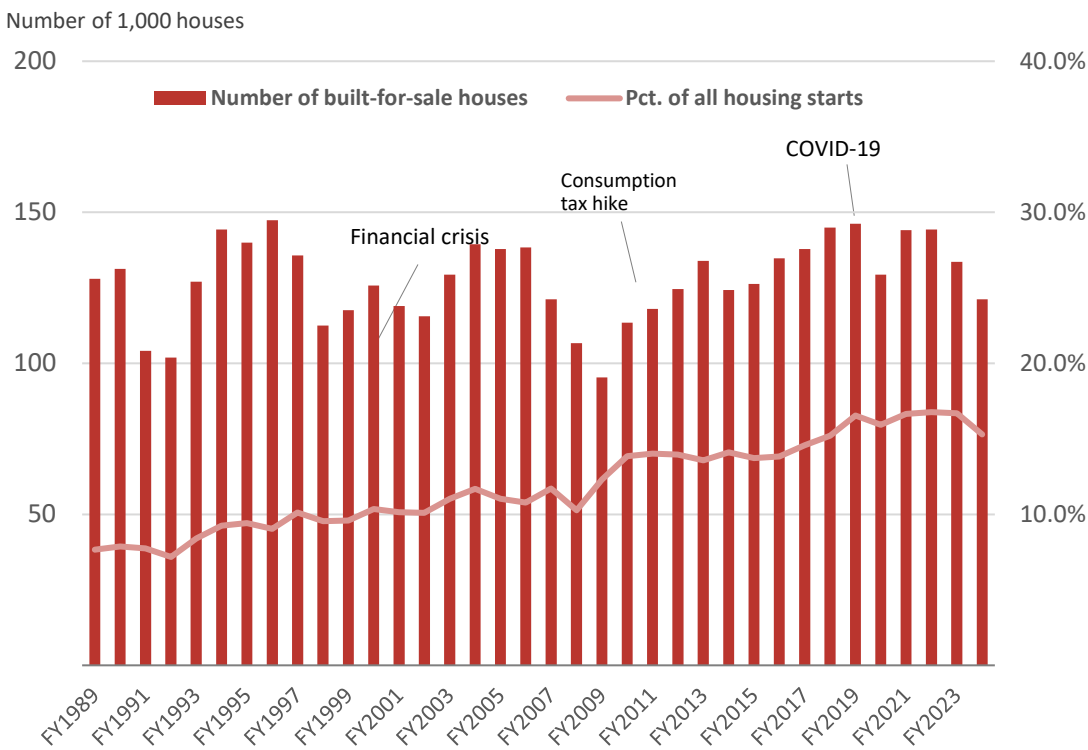
Market Shares of Large Companies and KEIAI *1



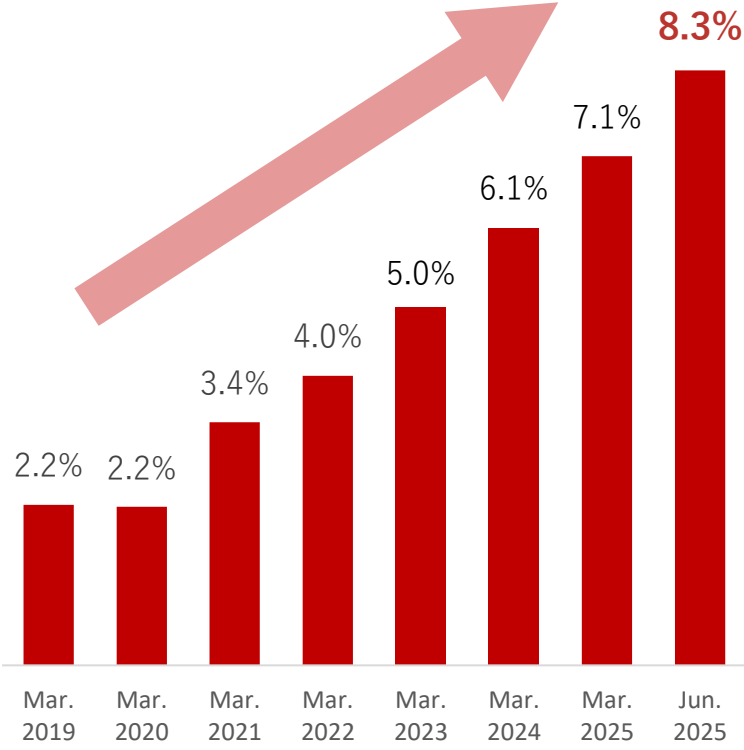
KEIAI's Market – Built-for-Sale Houses

Japan's market for built-for-sale houses has been steady for many years, other than brief downturns because of the pandemic and other one-time events. KEIAI's share of Japan's enormous market for detached houses has been rising rapidly in recent years.

Construction Starts for Built-for-Sale Detached Houses



KEIAI Group's Nationwide Market Share

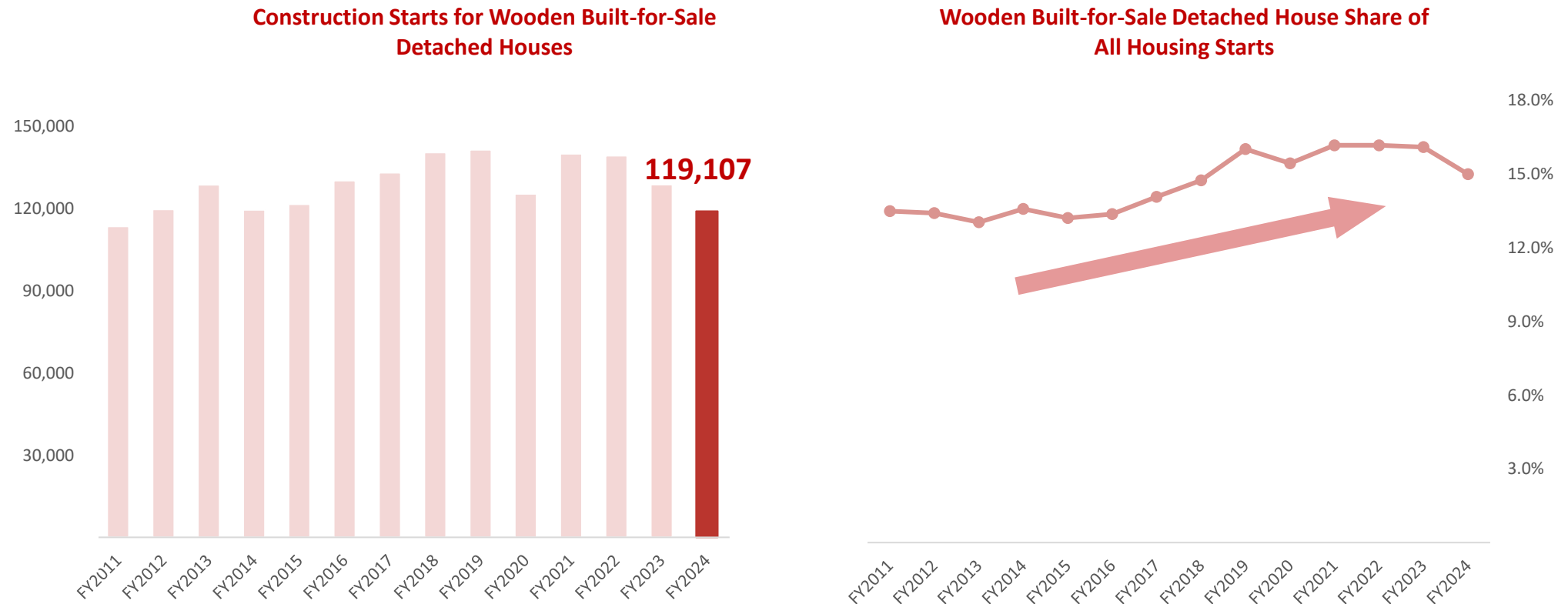


Source: Housing Start Statistics, Ministry of Land, Infrastructure, Transport and Tourism

Market Growth:

The Steady Increase of the Popularity of Built-for-Sale Detached Houses

Construction starts for built-for-sale houses are declining because of inventory reductions following the end of the pandemic. The number of starts is expected to stay at about the current level as built-for-sale houses remain unchanged as a percentage of all housing starts.



Source: Ministry of Land, Infrastructure, Transport and Tourism "Housing Construction Statistics"

Benefits of KEIAI's Semi Custom-Built Housing

Offers a “fourth choice” for detached houses combining the benefits of both built-for-sale and custom-built houses

Features / property type	Built-for-sale houses	Custom-built houses	Remodeled houses	Semi custom-built houses
Price	Low to mid price	High price	Low price (Partial remodeling)	Low price
Purchasing of land	Generally, 7 houses lots or more	A single house	Existing house	Possible from 1 house lot
Design	Uniform design	Entire house is fully customized	Only part of a house is remodeled	Superb design by semi custom-building each entire house
Earthquake resistance	Complies with new earthquake resistance standards	Complies with new earthquake resistance standards	Includes old earthquake resistance standards	Complies with new earthquake resistance standards
Time until move-in	Short	Long	Short	Short
Asset value	Low to mid value (Suburban locations, uniform designs)	Low to high value (Influenced by owner preferences)	Low to mid value (Structure remains old)	High value (Good location selected using KEIAI's proprietary database, superb design)
Sustainability	High (Latest materials and fixtures, easy to repair due to using standard materials)	Low to mid (Maintenance cost is high because it is custom-made)	Low to mid (In some cases, another remodeling or rebuilding may be required)	High (Latest materials and fixtures, easy to repair due to using standard materials)

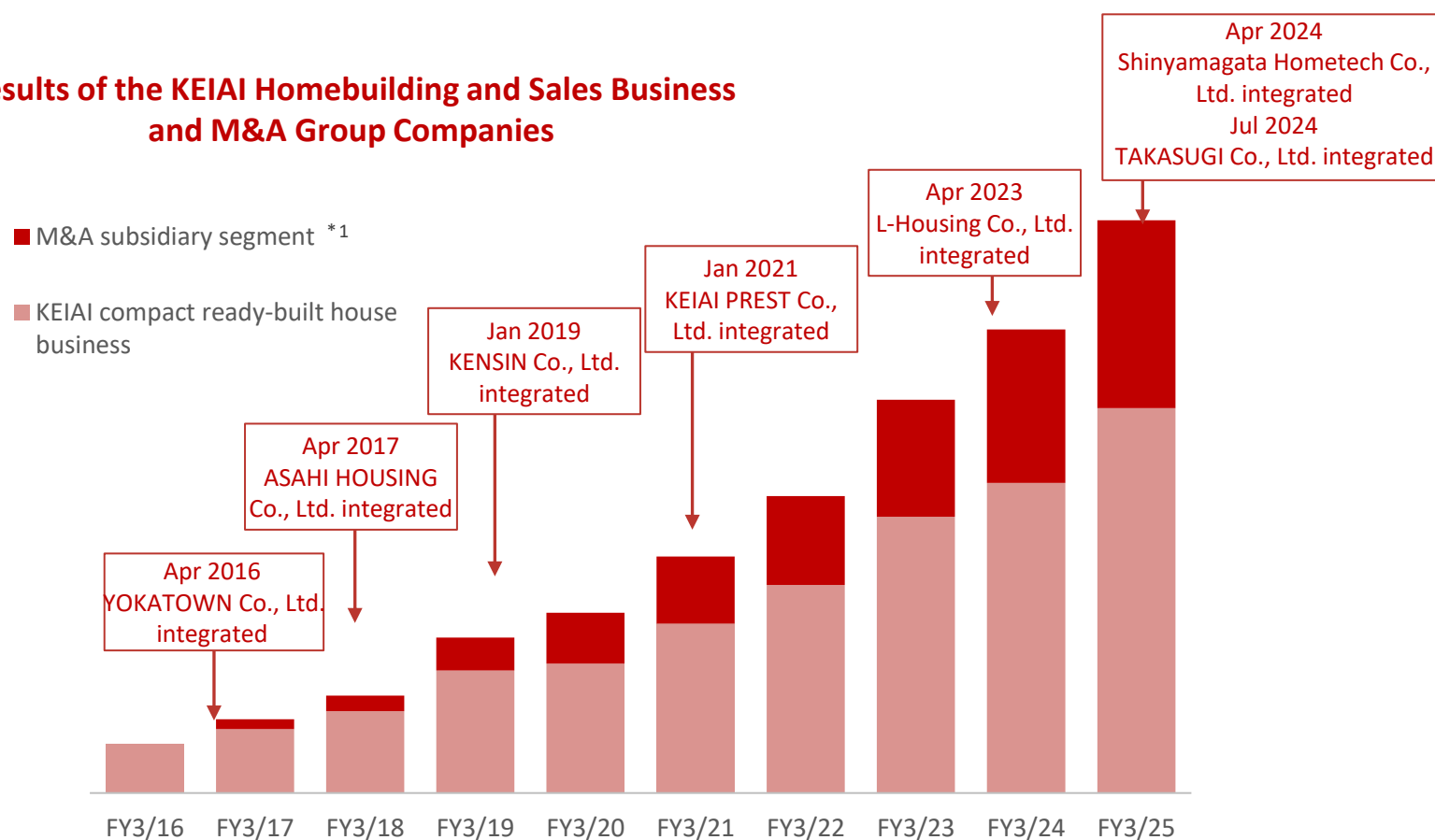
Six Strengths Backing the KEIAI Group's Growth



M&A –Sales of Subsidiaries after the Acquisition

Subsidiaries have achieved high sales growth after M&A, resulting in boosting group's total sales expansion. Shinyamagata Hometech and TAKASUGI also aim to increase sales by leveraging the synergies of joining the Group.

Results of the KEIAI Homebuilding and Sales Business and M&A Group Companies



*1: Results of M&A subsidiary segment includes YOKATOWN, ASAHI HOUSING, KENSIN, KEIAI Presto, L-Housing, Shinyamagata Hometech and TAKASUGI Co., Ltd.

Forward-looking Statements

This presentation includes information about future performance and other items that are not historical facts. This information was prepared by using certain assumptions at the time that this presentation was prepared. Actual performance may differ significantly from forward-looking statements due to a variety of uncertainties.

This presentation was prepared for the purpose of providing general IR information for giving people a better understanding of the KI-Star Group and is not a solicitation to invest in KI-Star. Individuals who use the information in this presentation should reach investment decisions on their own.

Although KI-Star has exercised care concerning the information in this presentation, the company makes no guarantee whatsoever regarding this information. Furthermore, KI-Star assumes no responsibility at all for any losses or other damages that may result from the use of the information in this presentation.

Inquiries

KI-STAR REAL ESTATE Co., Ltd.

IR Office / IR section

URL: www.ki-group.co.jp

Please contact us by filling in the necessary information from the "IR Inquiries" page of our website.